

LOS ANGELES TIMES
16 December 1986

Journalists Claim Conspiracy in Rebel Funds

Men Linked to Iran-Contras Affair Defendants in Suit

By BARRY BEARAK, Times Staff Writer

MIAMI—When the lawsuit was filed here last May by two journalists, it seemed more like the far-fetched plot outline to a thriller set in Central America.

The 29 defendants included ex-CIA officers with ties to the White House, leaders of the Nicaraguan rebels and a Colombian drug kingpin.

The allegations had them all in cahoots, financing *contra* forces with profits from cocaine deals as well as attempting to murder rival guerrilla leader Eden Pastora in 1984.

But if those allegations still seem astonishing, the names of some of the defendants have since taken on a ring of familiarity: Maj. Gen. Richard V. Secord, his business associate Albert A. Hakim, Virginia businessman Robert Owen and former CIA contract worker Rafael Chuntoro.

All have been linked to current scandals that involve arming the contras and secretly shipping weapons to Iran.

Monday in Miami, U.S. District Judge James L. King heard motions to dismiss the lawsuit, but made no immediate ruling. At the same time, attorneys for the journalists, free-lancers Tony Avirgan and Martha Honey, added a 95-page affidavit to the court file, making additional charges in a sketch of alleged misdeeds that covers 30 years.

Among the new allegations, almost all of them based on anonymous sources:

—In the early 1970s, two CIA officers, Theodore Shackley and Thomas Clines, allegedly joined

with a U.S. Navy official, Richard Armitage, to set up "their own private anti-communist assassination" program in Southeast Asia.

The operations later continued in the Middle East, in support of Shah Mohammed Reza Pahlavi of Iran, and allegedly were funded with money from Laotian-based trading in opium.

Calls Claim a Lie

Armitage, who is now assistant secretary of state for international security affairs—and not a defendant in the lawsuit—called the claim "a blatant lie." Shackley, an Arlington, Va., private consultant, also denied the charges. Clines could not be reached for comment.

—In the late 1970s, Secord and Hakim allegedly sold U.S. weapons to Middle Eastern governments, funneling their huge profits to Shackley's "secret team" in Iran.

Shackley also denied this. Secord and Hakim could not be reached for comment.

—In late 1983, Lt. Col. Oliver L. North—not a defendant in the case—contacted Shackley, Clines, Hakim and Secord to reactivate the "secret team" so it could illegally supply arms to the contras.

North, like Hakim and Secord, could not be reached for comment.

Monday, eight attorneys for the various defendants took turns arguing why the lawsuit had no merit.

It is based on "information passed through hands four or five times, at which point it becomes malicious gossip," said attorney Anthony Lapham, a former general counsel for the CIA who now represents *contra* leader Adolfo Calero.

Attorneys for Avirgan and Hon-

ey, on the other hand, argued that recent news events have added credibility to their charges.

"We've been shouting about these conspiracies for so long that it's nice to be taken seriously for a change," said Avirgan, who was in the courtroom gallery.

Injured in Bombing

On May 30, 1984, he was among those injured when a bomb exploded during a Pastora press conference in La Penca, Nicaragua.

He and Honey, who is his wife, are seeking \$23.8 million in relief for the injury, damaged equipment, lost work and the loss of a news source—called "David" in the lawsuit—who was allegedly murdered for providing information.

They are being represented by the Christic Institute, a public interest law firm based in Washington. It is best known for winning a judgment on behalf of the family of Karen Silkwood, a worker at Kerr-McGee Corp. who allegedly was contaminated by plutonium.

Daniel Sheehan, general counsel for the institute, said that one purpose of the suit—filed as a civil complaint under the Racketeer Influenced and Corrupt Organizations Act—was to force *contra* leaders and their supporters in high places to testify under oath about their activities.

STAT

STAT

STAT